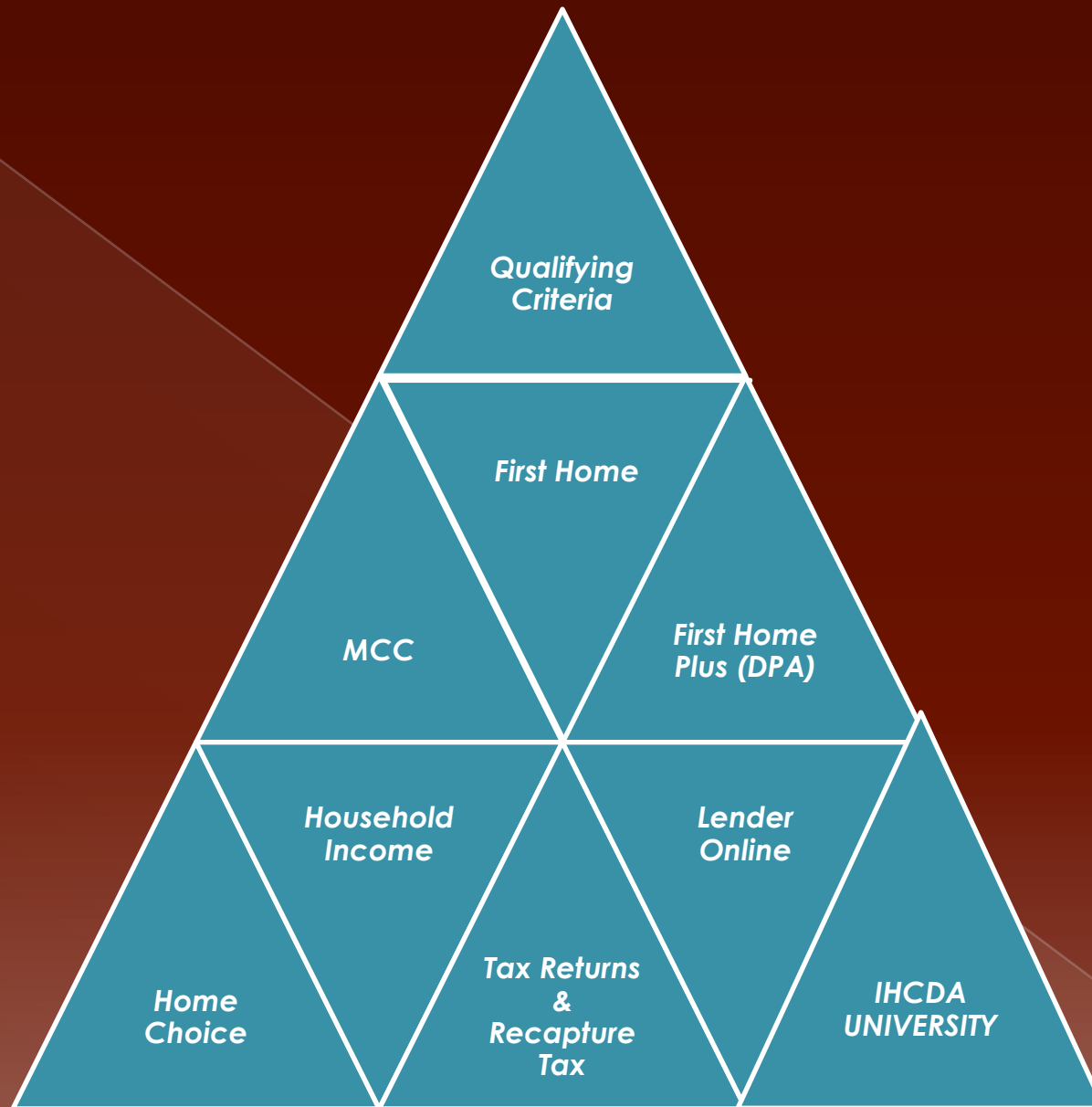


INDIANA HOUSING LENDER TRAINING

First Home/Plus (Bond) & Mortgage Credit Certificate (MCC)





QUALIFYING CRITERIA

- Potential borrowers must...

First Time Homebuyer(s)

(Targeted and Non Targeted Counties)

Income limits

Acquisition limits



What is a Mortgage Credit Certificate?

- A MCC is a federal tax credit designed to assist a borrower seeking affordable homeownership.
- This tax credit allows an eligible borrower to write off a portion of the annual interest paid on the mortgage up to \$2000 each year they occupy the home as their primary residence
- This tax credit is based on the first mortgage loan amount

Mortgage Credit Certificate Continued

- The MCC reduces the federal tax liability of the borrower and has the potential of savings of thousands of dollars over the life of the loan

How does the MCC benefit the borrower?

- Borrower can choose to revise their W-4 withholdings form to increase their take home pay(*see following) OR
- Borrower may choose to take the tax credit at the end of the year(*see following)

Example of how to calculate the MCC

- If borrower has a \$50,000 mtg with an annual interest rate of 5.25%, the borrower would be able to claim \$918.75 annual tax credit (this is in addition to the annual interest deduction the borrower receives) or increase take home pay by \$76.56 per month
- $\$50,000(\text{mtg amt}) \times 5.25\%(\text{annual \%rate}) = \$2,625(\text{\%paid}) \times 35\%(\text{MCC rate based on mtg amount}) = \$918.75(\text{tax credit})$

How continued

- If the borrower so chooses to increase the take home pay the annual tax credit is divided out over 12 months giving the borrower (per example) an additional \$76.56 per month. The borrower would need to contact their HR department who would then modify their withholdings

Summary of the Benefits to the Borrower



1st time
homebuyer

Federal Tax
Credit for up
to \$2,000

Credit may
be reissued
in cases of a
refinance

MCC Credit Rates

Mortgage of
\$50,000 & under
35%

Mortgage of
\$50,001 - \$70,000
30%

MCC Credit
Rates

Mortgage of
\$70,001 - \$90,000
25%

Mortgage of
\$90,001 & above
20%

Why Lenders Should Offer MCC

- Adds an alternative to the MRB program
- Allows IHCD to maintain a presence in the market
- Less documentation needed with initial IHCD review for approval for closing
- No restrictions on type or amount of lender fees charged to borrower
- Type of financing, term and rate are set by lender
- Lender retains loan

Common Guidelines for MCC

- Borrower must be a First time homebuyer
- The purchase price of the home should be under acquisition limit for applicable county at time of reservation
- Borrowers could be subject to recapture tax if home is sold within the first nine years
- Home must be borrowers principal residence
- Non-occupant co-borrowers are not allowed

Common Guidelines Continued

- Property must be a Single Family residence
- The MCC program cannot be used in combination with First Home mortgages from IHCDA

MCC fees

- The reservation fee is .50% of the final loan amount , which is due within 45days of reservation
- Extension fees
 - > Application \$50 per 30 days
 - > Commitment .25% of final loan amount per 30 days
 - > Late submission .25% of final loan amount
 - > Cancellation \$150
 - > Re-Instate \$150
 - > Re-Issurance .50% based on new refinanced loan amount

To View our website

To access our Limits, Lenders, IHCD
University and Inspectors List

Go to...

www.ihcda.in.gov





First Home

- This program offers a rate lower than the market rate
- Loans may be reserved as Conv, FHA or VA
- Buy downs are not allowed
- All mortgages must be a 30 year fixed. No other terms are allowed.
- Borrower(s) must complete a Homeownership Counseling course, online or face to face (IHCDA University)

First Home Plus



- This program in conjunction with the First Home offers the borrower(s) a lower interest rate and down payment assistance of 5% of the purchase price, but NOT more than \$3500 total
- Can **ONLY** be used for down payment and an additional source of down payment is allowed
- This a no payment , no interest second which is **no longer** forgiven
- Refinancing or selling of home will result in full repayment

First Home Plus Cont'

- IHADA does not subordinate
- Third Party Inspection is required by an IHADA approved inspector. See website for a complete list of approved inspector
- Property cannot have been tenant occupied in the previous three months prior to closing
- Homes built prior to 1978 must have the Visual Assessment Document from 3rd party inspector and completed MRB11. If home does not pass visual assessment please refer to HUD lead base guidelines found on website

First Home Plus Cont'



- Borrower(s) may not get back more than what they pay into the loan at closing
- Currently only FHA loan are eligible for DPA, unless it is one of the DPA Specialty programs.
- DPA programs include Home Choice (conventional product), FHA, VA or USDA
- With the disability DPA programs borrower(s) are eligible for 10% of purchase price, NOT more than \$14,999



Requirements of First Home/First Home Plus

- Borrower(s) could be subject to recapture tax if home is sold in the first nine years
- Home must be borrower's principal residence
- Non occupant co borrowers are not allowed
- Property must be single family

Requirements of First Home/First Home Plus Cont'

- Borrower(s) must occupy the home within sixty days of closing or completion
- Total household income is used for qualifying borrower(s)
- All income must be considered

MRB fees

- Reservation fee is .125% of the final loan amount, which is due upon receipt of application package
- Commitment extension fee is \$50 per 30 days
- Late submission fee associated with the closing package is .25% of the final loan amount
- Re instate fee once a file has been cancelled is \$150 and will not be looked at until received
 - ALL fees must be received before final approval is given



Determining Household Income

- Household income includes certain sources of income that a lender typically does not consider in determining a borrower's DTI
 - > Along with the borrower, this includes all working individuals in the home (the exceptions)
- Some eligible income would include
 - > W2 wages (including part time jobs)
 - > seasonal
 - > shift differentials
 - > overtime and bonus pay
 - > child support or alimony
 - > interest and or dividends
 - Other income may apply. Please contact IHCDCA with questions regarding types of income and if they must be counted or how they are counted



Household Income Cont'

- Basically income is calculated from the borrower's YTD gross and annualized
 - There are times when you have to breakdown the income line by line. If and when you have trouble determining your borrower's income IHADA will do an income opinion. In these cases please forward a current pay stub or VOE and tax returns. INCOME OPINIONS ARE GOOD FOR 30 DAYS.

TAX RETURNS

- IRS Tax Compliance Laws requires that each loan funded with proceeds from a tax-exempt mortgage revenue bond documented by three years of tax returns.
- Review of the tax returns tells us if the borrower has had prior home ownership and gives an income history for the past three years
- Tax returns are also a good source of information on others that may reside in the home, a previous marriage or children not shown on 1003 as dependents.

Tax Returns Cont'

- Returns for all borrowers must be submitted with application file
- If a borrower does not have all the of past three years returns they can either obtain transcripts from the IRS or complete a MRB/MCC5 if returns where not filed
- Electronic Filing Form is not acceptable

Tax Returns Cont'



- Returns must have top section of page one fully completed with borrowers name, address and social security number
- Each return must be signed by borrower
- Transcripts must also be signed
- W2's are not required nor do they take the place of returns

Recapture Tax

- Recapture Tax is in accordance with Section 143(m) of the Internal Revenue Code for mortgages that are Federally Subsidized.
- Borrowers must pay Recapture Tax when the following three conditions are met
 - Home is sold within the first nine years of the closing date
 - A net profit on the sale of the home is made
 - The household income is above the current income limit at time of sale of the home

Recapture Tax Cont'

- IHADA will not calculate the Recapture Tax amount, if any, upon sale of home. If borrower needs assistance they would need to consult their tax advisor of the IRS.
- A Notice to Borrower(s) of Maximum Recapture Tax and Method to compute Recapture Tax in Disposition of Home is sent to borrower once loan is final approved
- At this time IHADA is reimbursing the Recapture Tax to the borrower with a written request including the following
 - IRS form 4506 (or its equivalent) completed and signed by each borrower
 - Copy of the signed HUD1

Lender Online

- What is Lender Online?
- Who has access to Lender Online?
- Is Lender Online just for participating lenders?
- What information does Lender Online provide?
- How do I make a reservation?

How to submit a package

- When should files be sent in?
- What forms are required?
- At what point should a closing package be submitted?
- When will my loan be purchased by US Bank?
- Who do I contact for MTG Funding Request issues?
- When changes are needed on a loan that has been reserved, how is this done?

Forms

- **How do I complete IHCDA forms ?**

Purchase Price _____	County _____	Target _____
1st Mtg. Loan Amount _____	2nd Mtg. Loan Amount _____	

1. Reservation Fee ☐
2. Document Order Checklist - **Original** (MRB-1 **Revised** dated 1/06) ☐
3. Loan Application -- Typed and Signed - **Copy** (FNMA 1003) ☐
4. Borrower's Application Agreement (MRB-2 dated 1/06) - **Original**
MRB ☐
5. Household Income Affidavit (MRB-3 dated 1/06) – **Original** ☐
- 5A Borrower's Down Payment Acknowledgement (MRB4 dated 1/06) ☐
- 6 Copy of Borrower (s) current pay stub ☐
7. **Photocopies** of past three years' tax returns **with top completed and signed by the borrower** (or an **original** 1722) ☐
8. **Copy** of Divorce Decree or Legal Separation Agreement (**if appl.**) ☐
9. Income Tax Affidavit - **Original** (if applicable - MRB-5 dated 1/06) ☐
10. Acquisition Cost Worksheet - **Original** (MRB-6 dated 1/06) ☐
11. Purchase Sales Agreement fully executed - **Copy** ☐
12. Appraisal with VC Sheets, (if applicable) - **Copy** ☐
13. **Certificate** of Completion of Homeownership Training - **Copy** ☐
14. Lead Based Paint Acknowledgment - **Original** (MRB-11 dated 1/06) (**DPA ONLY**) ☐
15. Ethnicity Acknowledgement – **Original** (MRB-12 dated 1/06) (**DPA ONLY**) ☐
16. Recapture Reimbursement Affidavit – Original (MRB-13 dated 1/06) ☐

Comments:

Borrower

2nd Borrower

1. I understand that my purchase of a single-family dwelling may be financed through the Indiana Housing & Community Development Authority. Financing will include a first lien mortgage loan (first mortgage) with a fixed interest rate set by IHEDA. This mortgage will have a term of thirty (30) years, payable in equal monthly installments over the term of the mortgage. My eligibility for the Program and downpayment assistance amount, if any, will be determined by the total gross income of my household. The financing may also include a second lien mortgage loan (second mortgage). The second mortgage will have an interest rate of zero (0) percent and no monthly payments.

The residence being purchased is a single family residence located in the State of Indiana at the following Residence:

street

city

zip

County of Subject Property:

2. Check the statement that applies:

☐ The Residence is new, never occupied.

☐ The Residence is an existing, previously occupied residence.

3. Check and complete one of the two following statements:

☐ I, individually or together with another person, have not had an ownership interest in a principal residence within three (3) years from the date my loan closes on the above referenced property.

☐ I, individually or with another person, have had an ownership interest in a principal residence within three (3) years from the date my loan closes on the above referenced property. I understand that because I have had an ownership interest in a principal residence, I am only eligible to purchase property in a targeted county or census tract.

8. The Residence is a single-family residence.
9. The land associated with the Residence is not in excess of that necessary to maintain the basic livability of the Residence and will not provide, other than incidentally, a source of income.
10. The Residence will not be used as an investment property or vacation home and not more than 15% of the area of the Residence will be used in a trade or business.
11. The proceeds of the mortgage loan(s) under this Program will not be used to replace my existing mortgage or land sale contract or other similar transaction on the subject property.
12. The Residence will be occupied and used as my principal residence within sixty (60) days after the date of loan closing on existing residence OR sixty (60) days after the date of completion of a newly constructed residence. I will notify IHCDA in writing prior to the Residence ceasing to be my principal residence. I understand that, in the event the Residence is no longer my principal residence, any first and second mortgage financing provided under this program will be immediately due and payable if the applicable affordability period has not been reached. In no case will the amount of the second mortgage payable to IHCDA exceed net proceeds from the sale of the Residence less the first mortgage payoff. The applicable affordability period will be five (5) years for second mortgage financing of less than \$15,000. If I reside in the Residence for the full affordability period, the second mortgage will be forgiven.
13. I understand that if I am provided downpayment assistance, that I will sign a second mortgage note for a five (5) year non-amortizing loan at zero percent (0%) interest. If I continue to live in the property as my principal residence for a period of at least five (5) years, the second mortgage loan will be forgiven. I further understand that if I do not continue to live in the property as my principal residence for the full five years, without interruption, that the second mortgage loan will immediately become due and payable in full. I further understand that IHCDA will not at any time agree to subordinate the second mortgage loan to any loan other than the original first mortgage loan to be executed concurrently with the second mortgage loan.
14. I am currently or intend to become a resident of the State of Indiana.
15. I acknowledge that, upon request, a list of Targeted Areas has been or will be made available to me prior to the execution of this agreement.
16. I acknowledge that I have been told that my loan will be sold to a Master Servicer or Sub-Servicer.
17. I understand that the Lender will determine my eligibility to receive a loan under this program.

(b) The Recapture Tax will be imposed: 1) if the residence is sold, exchanged or foreclosed upon within the first nine (9) years after the Borrower purchases the Residence and 2) the Borrower exceeds the income limit in the year in which they sell. No recapture is due on a sale, exchange or foreclosure that occurs after nine (9) years after the Borrower purchases the Residence.

(c) The maximum Recapture Tax will not exceed 6.25% of the original first mortgage amount. During the first five years of ownership the tax will increase, on a pro rata basis. The maximum recapture amount will occur in year five (5). The tax will then decrease pro rata for the remaining four years.

(d) The Recapture Tax amount will never exceed 50% of the gain (if any) realized upon the sale, exchange or transfer of the Residence.

(e) IHCDCA will provide Borrower(s) with written information about the Recapture Tax within a reasonable time after loan closing. IHCDCA will further provide Borrower(s) with a written statement specifying the federal subsidy of the first mortgage and the adjusted qualifying income adjusted for family size for each of the nine years of the holding period.

(f) IHCDCA has eliminated the worry of recapture for those borrowers who may owe this tax at the time of sale of their home. Indiana Housing will reimburse borrowers who pay recapture tax or for the reduction in their tax refund due to recapture tax (the "Recapture Amount")

20. I acknowledge and understand that this agreement will be relied on for purposes of determining my eligibility for mortgage financing, this agreement and statements made in it are made under penalty of perjury and a fraudulent statement made in this agreement may constitute a violation of federal law punishable by a fine of not more than \$10,000 and any other criminal penalty imposed by law.

I/we certify that I/we have read and understand the above information in this Agreement and agree to be bound by its terms and conditions. I/we do hereby swear or affirm under the penalties of perjury that the foregoing is true, accurate and complete.

Date _____

Signature Borrower _____

Date _____

Signature 2nd Borrower _____

Any payments that will begin during the next 12 months must be included.

15. All regular pay, special pay and allowances of a member of the armed forces, not including hazardous duty pay (whether or not living in the unit). _____
16. Imputed income from savings, stocks, bonds or other investment assets. _____
17. Depreciation _____
18. Total of lines 1c through 16. _____
19. Total of amounts on line 17 for first and second Borrower(s). _____

List all persons, other than Borrower(s) intending to reside in the home:

Name	Age	Relationship	Annualized Gross Income
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
19. a.Total Number _____		19. b. Total Income _____	

20. Total Household Income, Line 18 & Line 19. b.

Printed Name _____

Signature 2nd Borrower _____

Printed Name _____

I certify that I am an employee or agent of the Lender and that I obtained the information listed above from the Borrower(s) and that such information is true, complete, and accurate, to the best of the Lender's knowledge. I further certify that the Borrower(s) signed this document in my presence.

Date: _____ Signature: _____

Printed Name: _____

Title: _____

INDIANA HOUSING AND COMMUNITY DEVELOPMENT AUTHORITY

First Home/Plus Program Borrower's Down Payment Assistance Acknowledgement

Please be advised that the Indiana Housing and Community Development Authority, a governmental entity, has provided down payment/closing cost assistance in conjunction with a first mortgage loan in the Housing Finance Authority Single Family Bond Program.

This second mortgage is a loan in the amount of 5% or 10% if Homechoice, of the sales price or appraised value of the property whichever is less. The loan is at 0% interest and will be forgiven if the borrower resides in the property and does not refinance for five years. If the borrower does not reside in the residence for five years, the second mortgage is due and payable, calculated as follows:

<u>in the Property</u>	<u>Number of Months Borrower Resided</u>	<u>Percentage Forgiven</u>
0-24		0%
25-36		25%
37-48		50%
49-59		75%
60 and Greater		100%

.....

Borrower: _____

Borrower: _____

Property Address: _____

Amount of Assistance \$ _____

Borrower Signature

Date

Borrower's Signature

Date

**INDIANA HOUSING & COMMUNITY DEVELOPMENT AUTHORITY
FIRST HOME & FIRST HOME/PLUS PROGRAM
INCOME TAX AFFIDAVIT**

**THERE ARE IMPORTANT LEGAL CONSEQUENCES TO THIS LEGAL AFFIDAVIT:
READ IT CAREFULLY BEFORE SIGNING**

RESERVATION # _____

Borrower _____ Co-Borrower _____

I, the undersigned, being first duly sworn state the following:

_____ (a) I certify that I was not required by law to file a Federal Income Tax Return for the following year(s) _____
for the reason(s) stated below:

Complete Section (b) only if the closing for the Single-Family Mortgage will occur between January 1 and April 15, and you have not filed your Federal Income Tax Return for the prior year.

_____ (b) I certify that the Mortgage closing is occurring between January 1 and April 15th, and that I have not yet filed my Federal Income Tax Return for the prior year. I further certify that when I file my Federal Tax Return for the prior year, I will neither be entitled to, nor claim, deductions for real estate taxes or interest on indebtedness with respect to my principal residence for that year unless I am buying a home in a targeted area.

I acknowledge and understand that this Affidavit will be relied on for purposes of determining my eligibility for the Program. This Affidavit and statements made in it are made under penalty of perjury, and are true, accurate and complete. A fraudulent statement made in this Affidavit may constitute a federal violation punishable by a fine of \$10,000.00 and any other criminal penalty imposed by law.

Date: _____ Borrower Signature _____

I certify, as an employee or agent of the Lender that I personally obtained the above information from the Borrower(s) and that such information is true, accurate and complete to the best of my knowledge. I further certify that the Borrower(s) signed the document in my presence.

Date: _____ Lender Signature _____

Printed Name _____

Title _____

DO NOT INCLUDE THIS FORM WITH PACKAGE UNLESS APPLICABLE

EXECUTE ONE FORM FOR EACH BORROWER IF APPLICABLE

**INDIANA HOUSING & COMMUNITY DEVELOPMENT AUTHORITY
FIRST HOME & FIRST HOME/PLUS PROGRAM
ACQUISITION COST AFFIDAVIT**

RESERVATION # _____

COUNTY _____

BORROWER(S) NAME _____

PROPERTY ADDRESS _____

CITY _____

ZIP _____

ACQUISITION COST CALCULATION

1. Amount paid, either in cash or kind, to the seller per the Purchase/Sales Agreement \$ _____
2. Any additional amount to complete the dwelling, if new construction + _____
3. Any additional amount to repair the dwelling to make it habitable or bring to code + _____
4. Settlement and financing costs in excess of usual and reasonable costs paid by the borrower + _____
5. The cost of land on which dwelling is to be constructed owned by the borrower and purchased within two years from the date construction begins + _____
6. The amount of property taxes to be paid by the borrower in excess of that considered usual and reasonable for similar non MRB transactions + _____
7. Acquisition Cost, total of lines 1-6 \$ _____

I/we acknowledge and understand that this affidavit will be relied on for purposes of determining my/our eligibility for the First Home or First Home/Plus program. This affidavit and the statements made in it are made under penalty of perjury. A fraudulent statement made in this affidavit may constitute a federal violation punishable by a fine of \$10,000.00 and any other criminal penalty imposed by law.

DATE: _____

Borrower Signature _____

Co-Borrower Signature _____

I certify that I am an employee or agent of the Lender and that I obtained the information listed above from the Borrower(s) and that such information is true, complete, and accurate, to the best of the Lender's knowledge. I further certify that the Borrower(s) signed this document in my presence.

Date: _____

Signature: _____

Printed Name _____

**INDIANA HOUSING & COMMUNITY DEVELOPMENT AUTHORITY
FIRST HOME/PLUS PROGRAM
LEAD BASED PAINT ACKNOWLEDGEMENT**

The undersigned, as part of the application for mortgage financing that includes downpayment assistance from the Indiana Housing and Community Development Authority (IHCDA), and as a material inducement for IHCDA to provide such financing to me, for my purchase of a single-family residence, state the following:

Reservation # _____

Borrower _____

2nd Borrower _____

1. I have received the brochure regarding lead based paint entitled, "Protect Your Family from Lead in Your Home".
2. The residence being purchased is a single family residence located in the State of Indiana at the following Residence:

street

city

zip

County of Subject Property: _____

Year Built: _____

3. The following have occurred:

Visual Assessment

☐
Pass

☐
Fail

Date: _____

Complete the following only if the property has failed the visual assessment:

Paint Test

☐
Pass

☐
Fail

Date: _____

OR

Lead Based Paint Assumed

☐
yes

☐
no

Date: _____

Clearance
(attach results)

☐
Pass

☐
Fail

Date: _____

I/we certify that I/we have read and understand the above information in this Agreement and agree to be bound by its terms and conditions. I/we do hereby swear or affirm under the penalties of perjury that the foregoing is true, accurate and complete.

Date _____

Signature Borrower _____

Date _____

Signature 2nd Borrower _____

I certify, as an employee or agent of the Lender that I personally obtained the above information from the Borrower(s) and that such information is true, accurate and complete to the best of my knowledge. I further certify that the Borrower(s) signed the document in my presence.

Date _____

Lender Signature _____

Printed Name _____

Title _____

The following three criteria must be met before recapture tax is due:

1. The home is sold within the first nine years of the closing of the mortgage loan.
2. There is a net profit on the sale of the home.
3. The household income is above the income limit for the number of months since closing for the number of persons in the household.

Borrowers who must pay Recapture Tax may be reimbursed based on the following criteria:

1. Your HCDA loan was reserved December 15^{12/05}, 2005 or after.
2. Your HCDA Mortgage Loan is outstanding at the time of sale. If your HCDA mortgage has been refinanced, no reimbursement will be made.
3. HCDA will only reimburse the Recapture Amount and will not reimburse you for fees, interest, expenses or penalties incurred.
4. HCDA will not calculate the Recapture Amount, if any, upon the sale or disposition of the residence. If you need assistance, consult your personal tax advisor or the IRS.
5. A written request to HCDA must be received by July 15th of the calendar year after the residence is sold and include the following items:
 - IRS form 4506 (or its equivalent) completed and signed by each borrower to enable HCDA to obtain a copy of each borrower's federal tax return.
 - Copy of the signed HUD-1 Settlement Statement from the sale or disposition of the property.
 - Any other documentation HCDA may need to approve the reimbursement.

*For a complete description of Recapture Tax and the income guidelines, please reference the Maximum Recapture Tax Notice that you will receive 60 days after your HCDA loan has closed.

The undersigned Borrower (s) certifies that he/she has read and understands the requirements of Recapture Tax. The undersigned Borrower (s) hereby authorizes the Lender to make a Request as described above.

Date _____

Borrower _____

Co-Borrower _____


Date _____

Lender _____

**INDIANA HOUSING & COMMUNITY DEVELOPMENT AUTHORITY
FIRST HOME & FIRST HOME/PLUS PROGRAM
Relocation and Acquisition Disclosure to the Seller
With a Voluntary, Arms Length, Purchase Agreement Affidavit
In Conjunction with First Home Plus loans only**

Reservation #: _____
Buyers: _____
Sellers: _____
Property Street Address: _____
City/State/Zip: _____

To comply with Federal relocation and acquisition disclosure requirements pursuant to 49 CFR Section 24.101, you are hereby provided the following notification related to the acquisition of the above referenced property:

1. The Buyer is prepared to pay \$ _____  purchase price for clear title to the property under the conditions described in the contract of sale.
2. The estimated fair market value of the Property is \$ appraised value
3. The Buyer does not have the power of eminent domain relating to the purchase and acquisition of the Property.
4. The Buyer will be using federal funds from the U.S. Department of Housing and Urban Development (HUD) to complete this purchase. HUD **will not** use its eminent domain authority to initiate condemnation of the Property.
5. The Seller agrees that the property has not been tenant occupied by anyone other than the borrower (if applicable) within the last ninety days prior to the completion of the sale of the property.
6. This is a voluntary transaction by both parties. Since the purchase is a voluntary, arm's length transaction, relocation payments or other relocation assistance under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA), or any other law or regulation **are not** applicable.
7. If negotiations between both parties fail, Buyer **will not** take further action to acquire the property.

Buyer's Signature

Seller's Signature

Buyer's Signature

Seller's Signature

Date

Date

Date

Lender's Signature

Title

**FIRST HOME/PLUS
INDIANA HOUSING & COMMUNITY DEVELOPMENT AUTHORITY
SECOND REAL ESTATE MORTGAGE**

THIS INSTRUMENT (“Mortgage”) WITNESSES: That the undersigned _____, jointly and severally, (“Mortgagors”) of the State of Indiana, hereby MORTGAGE and WARRANT to INDIANA HOUSING & COMMUNITY DEVELOPMENT AUTHORITY (“Mortgagee”), the real estate and improvements located at _____ (“Real Estate”) located in _____ County, State of Indiana, more particularly described as:

together with all rights, privileges, interests, easements, hereditaments, appurtenances, fixtures and improvements now or hereafter belonging, appertaining, attached to, or used in connection with, the Real Estate, and all the rents, issues, income and profits thereof (collectively, the “Mortgaged Property”).

This Mortgage is given to secure performance of the provisions hereof and to secure payment of a certain promissory note (the “Note”) of even date herewith, executed and delivered by Mortgagors.

Mortgagors jointly and severally, covenant with Mortgagee as follows:

1. **Payment of Sums Due.** Mortgagors shall pay when due all indebtedness secured by this Mortgage, on the dates and in the amounts, respectively, as provided in the Note or in this Mortgage, as when the payment(s) thereof become due, all without relief from valuation and appraisement laws and with attorneys’ fees.
2. **No Liens.** Mortgagors shall not permit any lien of mechanics or materialmen to attach to and remain on the Mortgaged Property or any part thereof for more than 45 days after receiving notice thereof from Mortgagee.
3. **Repair of Mortgaged Premises; Insurance.** Mortgagors shall keep the Mortgaged Property in good repair and shall not commit waste thereon. Mortgagors shall procure and maintain in effect at all times adequate insurance in insurance companies acceptable to Mortgagee against loss, damage to, or destruction of the Mortgaged Property because of fire, windstorm or other such hazards in such amounts as Mortgagee may reasonably require from time to time, and all such insurance policies shall contain property clauses making all proceeds of such policies payable to Mortgagee and Mortgagors as their respective interests may appear. Upon request, all such policies of insurance shall be delivered to and retained by the Mortgagee until indebtedness secured hereby is fully paid.
4. **Taxes and Assessments.** Mortgagors shall pay all taxes or assessments levied or assessed against the Mortgaged Property, or any part thereof, as and when the same become due and before penalties accrue.

5. **Advancement to Protect Security.** Mortgagee may, at its option, advance and pay all sums necessary to protect and preserve the security intended to be given by this Mortgage. All sums so advanced and paid by Mortgagee shall become part of the indebtedness secured hereby and shall bear interest from the date or dates of payment at the rate of eighteen percent (18%) per annum. Such sums may include, but are not limited to, insurance premiums, taxes, assessments and liens which may be or become prior and senior to this mortgage as a lien on the Mortgaged property, or any part thereof, and all costs, expenses and attorneys' fees incurred by Mortgagee in respect of any and all legal or equitable proceedings which relate to this Mortgage or to the Mortgaged Property.
6. **Default by Mortgagor; Remedies of Mortgagee.** Upon default by Mortgagor in any payment provided for herein or in the Note, or in the performance of any covenants or agreement of Mortgagor hereunder or in the Note, including any other mortgage applicable to the Mortgaged Property, or if Mortgagors shall abandon the Mortgaged Property, then and in any such event, the entire indebtedness secured hereby shall become immediately due and payable at the option of the Mortgagee, without notice, and this Mortgage may be foreclosed accordingly. Upon such foreclosure, Mortgagee may obtain appropriate title evidence to the Mortgaged Property, and may add the cost thereof to the principal balance due.
7. **Non-Waiver; Remedies Cumulative.** No delay by Mortgagee in the exercise of any of its rights hereunder shall preclude the exercise thereof so long as Mortgagor is in default hereunder, and no failure of Mortgagee to exercise any of its rights hereunder shall preclude the exercise thereof in the event of a subsequent default by Mortgagor hereunder. Mortgagee may enforce any one or more of its rights or remedies hereunder successively or concurrently.
8. **Extensions; Reductions; Renewals; Continued Liability of Mortgagor.** Mortgagee may extend the time for payment of the indebtedness, or reduce the payments thereon, or accept a renewal note or notes thereafter, without consent of any junior lien holder, and without the consent of Mortgagors. no such extension, reduction or renewal shall affect the priority of this Mortgage or impair the security hereof in any manner whatsoever, or release, discharge or affect in any manner the personal liability of Mortgagors to Mortgagee.
9. **Subordination.** This Mortgage shall be subordinate only to Mortgagors' purchase money mortgage of even date herewith, the proceeds of which being utilized only to purchase the Mortgaged Property.
10. **General Agreement of Parties.** All rights and obligations hereunder shall extend to and be binding upon the several heirs, representatives, successors and assigns of the parties to this Mortgage. When applicable, use of the singular form of any word also shall mean or apply to the plural and masculine form shall mean and apply to the feminine or the neuter. The titles of the several paragraphs of this Mortgage are for convenience only and do not define, limit or construe the contents of such paragraphs.
- If the Mortgaged property is refinanced, sold or otherwise transferred by the undersigned, or if the Mortgaged Property is ever held or used by Mortgagors for the purpose of something other than their principal place of residence, then, notwithstanding the foregoing, any and all amounts outstanding and due immediately to Mortgagee under the Note, shall be due and payable to Mortgagee upon such occurrence.

IN WITNESS WHEREOF, Mortgagor has executed this Mortgage this day of , 20 .

Mortgagor:

Signature

Signature

Printed

Printed

STATE OF INDIANA)

COUNTY OF)

) SS:

Before me, a Notary Public in and for said County and State, personally appeared who, being first duly sworn, acknowledged execution of the foregoing Mortgage.

Witness my hand and Notarial Seal this day of , 20 .

My Commission Expires:

Notary Public

My County of Residence:

Printed Name

This Instrument prepared by:

Return recorded document to:

Indiana Housing & Community
Development Authority
30 South Meridian Street, Suite 1000
Indianapolis, IN 46204

THIS INSTRUMENT ("Mortgage") WITNESSES: That the undersigned _____, jointly and severally, ("Mortgagors") of the State of Indiana, hereby MORTGAGE and WARRANT to INDIANA HOUSING & COMMUNITY DEVELOPMENT AUTHORITY ("Mortgagee"), the real estate and improvements located at _____ ("Real Estate") located in _____ County, State of Indiana, more particularly described as:

together with all rights, privileges, interests, easements, hereditaments, appurtenances, fixtures and improvements now or hereafter belonging, appertaining, attached to, or used in connection with, the Real Estate, and all the rents, issues, income and profits thereof (collectively, the "*Mortgaged Property*").

This Mortgage is given to secure performance of the provisions hereof and to secure payment of a certain promissory note (*the "Note"*) of even date herewith, executed and delivered by Mortgagors.

Mortgagors jointly and severally, covenant with Mortgagee as follows:

1. **Payment of Sums Due.** Mortgagors shall pay when due all indebtedness secured by this Mortgage, on the dates and in the amounts, respectively, as provided in the Note or in this Mortgage, as when the payment(s) thereof become due, all without relief from valuation and appraisal laws and with attorneys' fees.
2. **No Liens.** Mortgagors shall not permit any lien of mechanics or materialmen to attach to and remain on the Mortgaged Property or any part thereof for more than 45 days after receiving notice thereof from Mortgagee.
3. **Repair of Mortgaged Premises; Insurance.** Mortgagors shall keep the Mortgaged Property in good repair and shall not commit waste thereon. Mortgagors shall procure and maintain in effect at all times adequate insurance in insurance companies acceptable to Mortgagee against loss, damage to, or destruction of the Mortgaged Property because of fire, windstorm or other such hazards in such amounts as Mortgagee may reasonably require from time to time, and all such insurance policies shall contain property clauses making all proceeds of such policies payable to Mortgagee and Mortgagors as their respective interests may appear. Upon request, all such policies of insurance shall be delivered to and retained by the Mortgagee until indebtedness secured hereby is fully paid.
4. **Taxes and Assessments.** Mortgagors shall pay all taxes or assessments levied or assessed against the Mortgaged Property, or any part thereof, as and when the same become due and before penalties accrue.
5. **Advancement to Protect Security.** Mortgagee may, at its option, advance and pay all sums necessary to protect and preserve the security intended to be given by this Mortgage. All sums so advanced and paid by Mortgagee shall become part of the indebtedness secured hereby and shall bear interest from the date or dates of payment at the rate of eighteen percent (18%) per annum. Such sums may include, but are not limited to, insurance premiums, taxes, assessments and liens which may be or become prior and senior to this

exercise thereof so long as Mortgagor is in default hereunder, and no failure of Mortgagee to exercise any of its rights hereunder shall preclude the exercise thereof in the event of a subsequent default by Mortgagor hereunder. Mortgagee may enforce any one or more of its rights or remedies hereunder successively or concurrently.

8. **Extensions; Reductions; Renewals; Continued Liability of Mortgagor.** Mortgagee may extend the time for payment of the indebtedness, or reduce the payments thereon, or accept a renewal note or notes thereafter, without consent of any junior lien holder, and without the consent of Mortgagors. no such extension, reduction or renewal shall affect the priority of this Mortgage or impair the security hereof in any manner whatsoever, or release, discharge or affect in any manner the personal liability of Mortgagors to Mortgagee.
9. **Subordination.** This Mortgage shall be subordinate only to Mortgagors' purchase money mortgage and the USDA, Rural Development Direct or Leveraged Loan of even date herewith, the proceeds of which are being utilized only to purchase the Mortgaged Property.
10. **General Agreement of Parties.** All rights and obligations hereunder shall extend to and be binding upon the several heirs, representatives, successors and assigns of the parties to this Mortgage. When applicable, use of the singular form of any word also shall mean or apply to the plural and masculine form shall mean and apply to the feminine or the neuter. The titles of the several paragraphs of this Mortgage are for convenience only and do not define, limit or construe the contents of such paragraphs.

If the Mortgaged property is refinanced, sold or otherwise transferred by the undersigned, or if the Mortgaged Property is ever held or used by Mortgagors for the purpose of something other than their principal place of residence, then, notwithstanding the foregoing, any and all amounts outstanding and due immediately to Mortgagee under the Note, shall be due and payable to Mortgagee upon such occurrence.

IN WITNESS WHEREOF, Mortgagor has executed this Mortgage this day of , 20 .

Mortgagor:

Signature

Signature

Printed

Printed

STATE OF INDIANA)

COUNTY OF)

) SS:

Before me, a Notary Public in and for said County and State, personally appeared who, being first duly sworn, acknowledged execution of the foregoing Mortgage.

Witness my hand and Notarial Seal this day of , 20 .

My Commission Expires:

Notary Public

My County of Residence:

Printed Name

This Instrument prepared by:

Return recorded document to:

Indiana Housing Community Development Authority, 30 South Meridian Street, Suite 1000, Indianapolis, IN 46204

THIS INSTRUMENT SECURES A ZERO (0) INTEREST RATE OR OTHER
SUBSIDIZED LOW RATE LOAN SUBJECT TO IC 24-9-3-2

**INDIANA HOUSING & COMMUNITY DEVELOPMENT AUTHORITY
FIRST HOME & FIRST HOME/PLUS PROGRAM
CLOSING PACKAGE TRANSMITTAL LETTER**

Resv # _____

1st Mtg Amt _____

2nd Mtg Amt _____

Borrower Name(s) _____

Property Address _____

street

city

zip

County of Residence _____

Please Check off and submit forms in the order listed below:

- | | |
|---|--|
| <input type="checkbox"/> 1. Balance of any fees (if appl.) | <input type="checkbox"/> 7. HUD-1 Settlement Statement Copy |
| <input type="checkbox"/> 2. Transmittal Letter (MRB-7) Original | <input type="checkbox"/> 8. Loan Closing Cert. (MRB-10) Original |
| <input type="checkbox"/> 3. Final Loan Application Copy | <input type="checkbox"/> 9. Conditions of Appraisal Copy |
| <input type="checkbox"/> 4. Borrowers Closing Affd (MRB-8) Original | <input type="checkbox"/> 10. Termite Inspection Report Copy |
| <input type="checkbox"/> 5. Sellers Affidavit (MRB-9) Original | <input type="checkbox"/> 11. Copy of 2nd Mtg. & Orig. 2nd Note |
| <input type="checkbox"/> 6. Auth. for Sellers Signature(if appl.) Copy | |

PLEASE ADDRESS EVERY LINE & USE A MONTHLY FIGURE WHERE APPLICABLE

Closing Date _____

Property Tax \$_____

Loan Amount (w/MIP) \$_____

Association Dues \$_____

Loan Type (FHA/VA/RD/Conv) **FIXED**

Sex Head Household _____

Term **360 MONTHS**

Age Head Household _____

Interest Rate _____

Marital Status _____

Condo/PUD _____

Dependents (incl spouse) _____

Census Tract # _____

Household Size _____

Acres/Site Area (sq. ft.) _____

Number Employed _____

Design Style (ranch, etc.) _____

Prior Owner (last 3 years) ☐ Yes or ☐ No

#Rooms _____ #Bdrm _____ #Bthrm _____

Flood Insurance \$_____

Purchase Price \$_____

Hazard Insurance \$_____

Appraised Value \$_____

PMI/MIP Insurance \$_____

Year Built _____

Head Household Empl Type _____
(salary, hourly, commissioned, etc.)

Comments: _____

Lender _____

Date _____, 20____

Closer _____

Phone _____ ext. _____

IHCDA FEES: _____

DATE: _____

**INDIANA HOUSING & COMMUNITY DEVELOPMENT AUTHORITY
FIRST HOME & FIRST HOME/PLUS PROGRAM
BORROWER(S) CLOSING AFFIDAVIT**

There are Important Legal Consequences to This Affidavit. Read it Carefully Before Signing.

Reservation Number # _____

I, the undersigned, as part of my application for the First Home or First Home/Plus Program from the Indiana Housing & Community Development Authority (IHCDA), and as a material inducement to IHCDA to provide me financing for my purchase of a single-family residence, state and aver the following:

1. Check and complete section (a) or (b), whichever applies.
 - ☐ a. I have reviewed the Borrower(s) Application Agreement that I executed as part of my application for the First Home or First Home/Plus Program and declare that there have been no changes in the statements therein and the statements remain true, accurate and complete.
 - ☐ b. I have reviewed the Borrower(s) Application Agreement that I executed as part of my application for the First Home or First Home/Plus Program and declare that the following changes have occurred:
2. Check and complete (a) or (b), whichever applies:
 - ☐ I, individually or together with another person, have not had an ownership interest in a principal residence within three (3) years from the date my loan closes on the above referenced property.
 - ☐ I, individually or with another person, have had an ownership interest in a principal residence within three (3) years from the date my loan closes on the above referenced property. I understand that because I have had an ownership interest in a principal residence, I am only eligible to purchase property in a targeted county or census tract.
3. I acknowledge that the seller(s) has certified to me that the price of the Residence is no higher than it would be without the use of the First Home or First Home/Plus Program.
4. I further certify that my Gross Annual Income on the date of execution of this statement does not exceed the Income Limit of \$ _____ for _____ County.
5. I acknowledge that the Lender has informed me that I may be subject to a Federal Recapture Tax if I sell my home during the next nine (9) years. I have been advised that the maximum amount of recapture I might be subject to is 6.25% times the first mortgage amount at the time of closing. The 6.25% is the maximum recapture rate applicable during the fifth year from loan closing.
6. I acknowledge that the Lender has informed me that I will be required to repay any down payment assistance (if applicable) received under the First Home/Plus Program if I have misrepresented my income. I acknowledge that I also will be required to repay any down payment assistance received under the First Home/Plus Program if I do not continually occupy the property as my principle

7. I acknowledge and understand that this affidavit will be relied on for purposes of determining my eligibility for the First Home or First Home/Plus Program. I/we do hereby swear or affirm under the penalties for perjury that the foregoing is true, accurate and complete, and a fraudulent statement may also constitute a federal violation punishable by a fine of \$10,000 and any other criminal penalty imposed by law.

As used in this form, words imputing the singular shall include the plural.

I/we do hereby swear or affirm under the penalties for perjury that the foregoing is true, accurate and complete.

Date: _____

Signature Borrower: _____

Printed Name: _____

Signature Borrower: _____

Printed Name: _____

I certify that I am an employee or agent of the Lender and that I obtained the information listed above from the Borrower(s) and that such information is true, accurate and complete to the best of the Lender's knowledge. I further certify that the Borrower(s) signed this document in my presence.

Date: _____

Signature: _____

Printed Name: _____

Title: _____

**INDIANA HOUSING & COMMUNITY DEVELOPMENT AUTHORITY
FIRST HOME & FIRST HOME/PLUS PROGRAM
SELLER (S) AFFIDAVIT**

There are Important Legal Consequences to this Affidavit. Read Carefully Before Signing.

The undersigned Seller(s), jointly and severally, do hereby affirm and aver that the purchase price of the residence being sold to:

Reservation # _____

Borrower Name(s) _____

Property Address _____

Pursuant to the Purchase and Sales Agreement is \$ _____

Estimated Fair Market Value \$ _____

There is no agreement, written or oral, between the Borrower(s) and the undersigned Seller(s) to pay or exchange any compensation of any type which has not been disclosed in the Purchase (Sales) Agreement and included in the purchase price.

Any and all defects identified as a result of a property inspection have been corrected in an appropriate and workmanlike manner. There are no known defects to the property, whether existing at the time of inspection or arising later that have not been previously disclosed.

I understand that Federal funds may be used toward this purchase. I further understand that the sale is voluntary and that the Borrower(s) do not have the power to acquire property by condemnation (i.e., eminent domain).

Since the purchase is a voluntary, arm's length transaction, I am not eligible for relocation payments or other relocation assistance under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA), or any other law or regulation.

The statements made are made under penalty of perjury. A fraudulent statement made in this affidavit may constitute a federal violation punishable by a fine of \$10,000 and any other criminal penalty imposed by law.

I/we do hereby swear or affirm under the penalties for perjury that the foregoing is true, accurate and complete.

Date: _____

Signature Seller: _____

Printed Name: _____

Signature Seller: _____

Printed Name: _____

I certify that I am an employee or agent of the Lender and that the information listed above is true, accurate, and complete to the best of my knowledge. I further certify that the Seller(s) signed this affidavit in my presence. If an Agent of the Seller(s) signs the Seller(s) Affidavit, evidence of the Agent's authorization to act on behalf of the Seller(s) must be included in the closing package.

Date: _____

Signature: _____

Printed name: _____

Title: _____

**INDIANA HOUSING & COMMUNITY DEVELOPMENT AUTHORITY
FIRST HOME & FIRST HOME/PLUS PROGRAMS
PARTICIPATING LENDER'S
MORTGAGE LOAN CLOSING CERTIFICATE**

Reservation #

The undersigned Participating Lender (the "Lender") does hereby represent and certify to the Indiana Housing & Community Development Authority as follows:

1. The undersigned officer of Lender has knowledge of the facts described herein and is authorized to execute this Certificate for and on behalf of Lender.
2. The Lender has, with due diligence, verified the information in the Borrower's Application Agreement and determined such information to be true and correct, including that:
 - (A) The total annualized income for all persons who intend to occupy the Residence to be financed does not exceed \$_____for property to be located in _____County;
 - (B) The Acquisition Cost of the residence does not exceed the maximum acquisition cost of \$_____for homes in _____County;
 - (C) The land being purchased by the Borrower with the Mortgage Loan does not exceed the amount that is necessary to maintain the basic livability of the Residence;
 - (D) The Residence is expected to be the principal dwelling of the Borrower within 60 days after loan closing for an existing home and within 60 days of completion for a newly constructed home; and
 - (E) The Mortgage Loan is not being used to refinance, acquire or replace an existing loan or mortgage of the Borrower.
3. The Mortgage Loan has been underwritten in accordance with the Authority's Program Guide and has been made to an Eligible Borrower.
4. The Lender has received title insurance binders and/or commitments insuring the Authority with respect to matters of title to the residence and, all premiums required to establish such insurance in full force and effect have been paid. These binders and/or commitments comply with the requirements of the Program guide and, the Lender is not aware of any fact or circumstance which would effect the timely delivery of the final title insurance policies in an acceptable form.
5. All required hazard and mortgage insurance has been obtained; we have not advanced funds or solicited any such advance for the required payments necessary for the Mortgage Loan. The Mortgage Loan is not subject to any pledge or assignment; the Lender has good title to the Mortgage Loan. The Lender has full right and authority to sell and deliver the Mortgage Loan to the Authority.
6. No payment required by the Mortgage Loan is delinquent nor is there any default thereunder.

7. The information supplied by us has been accurately stated and we know of no material misstatement or omission in information supplied by the Borrower or us in connection with the Mortgage Loan.
8. The Lender is in full compliance with the Mortgage Origination and Sales Agreement.

IN WITNESS WHEREOF, I have hereunto set my hand this _____ day of _____, 20____.

As Participant

By: _____

Printed: _____

Title: _____

**INDIANA HOUSING & COMMUNITY DEVELOPMENT AUTHORITY
MORTGAGE CREDIT CERTIFICATE PROGRAM
APPLICATION PACKAGE DOCUMENT ORDER CHECKLIST**

Borrower Name(s) _____		
Property Address _____		
Reservation Number _____		
Lender Name _____	Processor _____	Phone # _____
Date _____, 20____	New/Existing _____	Fax # _____
Target/Non-Target _____		County _____
Loan Amount \$ _____		Purchase Price \$ _____

1. Document Order Checklist - **Original** (MCC-1 dated 1/06) _____
2. Loan Application -- Typed and Signed - **Copy** (FNMA 1003) _____
3. Borrower's Application Agreement - **Original** (MCC-2 dated 1/06) _____
4. Household Income Affidavit - **Original** (MCC-3 dated 1/06) _____
5. **Photocopies** of past three years' tax returns **with top completed and signed by the borrower** (or an **original** 1722) _____
6. **Copy** of Divorce Decree or Legal Separation Agreement (**if appl.**) _____
7. Informational Certification - **Original** (MCC-4 dated 1/06) _____
8. Income Tax Affidavit - **Original** (if applicable - MCC-5 dated 1/06) _____
9. Acquisition Cost Affidavit - **Original** (MCC-6 dated 1/06) _____
10. Recapture Tax reimbursement affidavit (MCC-13 dated 1/06) _____
11. Borrower Acknowledgement Statement (MCC-14 dated 1/06) _____

Comments:

INDIANA HOUSING & COMMUNITY DEVELOPMENT AUTHORITY
MORTGAGE CREDIT CERTIFICATE PROGRAM
BORROWER(S) APPLICATION AGREEMENT
There Are Important Legal Consequences to This Document
Read it Carefully Before Signing

I, the undersigned, as part of the application for a Mortgage Credit Certificate from the Indiana Housing and Community Development Authority (IHCDA), and as a material inducement for IHCDA to issue a MCC to the undersigned, in connection with a mortgage loan from the lender of the undersigned's choosing for the undersigned's purchase of a single-family residence, state the following:

Reservation # _____

Borrower _____

2nd Borrower _____

1. The residence being purchased is a single family residence located in the State of Indiana at the following address:

street *city* *zip*

County of Subject Property: _____

2. Check the statement that applies:

- ☐ The Residence is new, never occupied.
- ☐ The Residence is an existing, previously occupied residence.

3. Check one of the two following statements:

☐ I, individually or together with another person, **have not** had an ownership interest in a principal residence within three (3) years from the date my loan closes on the above referenced property.

☐ I, individually or with another person, **have** had an ownership interest in a principal residence within three (3) years from the date my loan closes on the above referenced property. I understand that because I have had an ownership interest in a principal residence, I am only eligible to purchase property in a targeted county or census tract.

4. I do hereby submit true and complete copies of my signed Federal Income Tax Returns as filed for the prior three (3) tax years or such other verification as is acceptable to IHFA and the lender.
5. The Acquisition Cost of the residence to be purchased does not exceed the maximum acquisition cost limit of \$ _____ for _____ County. There are no other agreements, written or oral, between me and the seller(s), and no compensation of any kind has been or will be exchanged between me and the seller(s), which has not been disclosed and included as part of the acquisition cost.
6. The total number of persons intending to reside in the residence, including the borrower(s) is _____.
7. My total household income as disclosed on the "Household Income Affidavit" does not exceed the applicable income limit of \$ _____ for the number of persons indicated in item #6, above, for the county where the residence is located. I understand that I must recertify, at the time of loan closing, that my total household income continues to not exceed

9. The land associated with the residence is not in excess of that necessary to maintain the basic livability of the residence and will not provide, other than incidentally, a source of income.
10. The residence will not be used as an investment property or vacation home and not more than 15% of the area of the residence will be used in a trade or business.
11. The proceeds of the mortgage loan under this Program will not be used to replace my existing mortgage or land sale contract or other similar transaction on the subject property.
12. The residence will be occupied and used as my principal residence within sixty (60) days after the date of loan closing on existing residence OR sixty (60) days after the date of completion of a newly constructed residence.
13. I will notify IHCD in writing prior to the residence ceasing to be my principal residence. I understand that the MCC will be automatically revoked and I will no longer be entitled to claim the credit if I sell the residence or if I no longer use it as my principal residence. Under certain circumstances the MCC may be reissued in the event I refinance the residence.
14. If the MCC application is for a newly constructed residence, I certify that the residence has not and will not be occupied prior to the loan commitment. If the residence is a newly, never occupied residence I certify that the proceeds of the mortgage loan will not be used to replace an existing mortgage or contract for deed (or similar transaction) unless the existing mortgage or contract for deed (or similar transaction) is for a construction loan, bridge loan, or similar temporary financing. If the residence is a previously occupied, existing residence, the proceeds of the mortgage loan will not be used to replace my existing mortgage or my existing contract for deed (or similar transaction).
15. No portion of the financing of the residence is or will be provided from the proceeds of a qualified mortgage bond or qualified veterans mortgage bond. A person related to me (as defined in Section 144(a)(3) of the Internal Revenue Code and 26 CFR Section 1.103-10(e)(1)) does not have, and is not expected to have an interest as creditor in the loan being obtained for the purchase of the residence.
16. I understand and agree that if a MCC is issued to me, it is **not** transferable.
17. I understand that I may seek financing from any lender of my choosing provided that the lender qualifies for, and executed a Lender Participation Agreement as required by IHCD. I further understand that I am in no way prohibited from seeking financing from any particular lender.
18. I have been advised by the lender to consult a tax accountant to calculate Federal Tax consequences as a result of participation in the MCC Program and not to rely on any statements made by the lender or IHCD. I have been further advised that use of the MCC will reduce my mortgage interest deduction for Federal Tax purposes and that the MCC does not offer any state income tax credit.
19. I understand that the Federal Government may impose a Recapture Tax on any gain I may realize on my disposition of the Residence. The calculation of any Recapture Tax will be based on the amount of the first mortgage. The Recapture Tax is subject to the following guidelines:
 - (a) No Recapture Tax is imposed if the borrower dies, the residence is destroyed by accident and is repaired within the specified time frame, or if it is transferred to a spouse or former spouse and borrower does not receive any gain or loss.
 - (b) The Recapture Tax will be imposed: 1) if the residence is sold, exchanged or foreclosed upon within the first nine (9) years after the Borrower purchases the residence and 2) the borrower exceeds the income limit in the year in which they sell. No recapture is due on

- (e) IHCD A will provide borrower(s) with written information about the Recapture Tax at the time of loan closing. IHCD A will further provide borrower(s) with a written statement specifying the federal subsidy of the first mortgage and the adjusted qualifying income adjusted for family size for each of the nine (9) years of the holding period.
- (f) IHCD A will reimburse borrowers who pay recapture tax or for the reduction in their tax refund due to recapture tax (the "Recapture Amount") Please see MCC 13 for important details and instructions

20. I acknowledge that, upon request, a list of Targeted Areas has been or will be made available to me prior to the execution of this agreement.
21. I acknowledge and understand that this agreement will be relied on for purposes of determining my eligibility for a MCC, this agreement and statements made in it are made under penalty of perjury and a fraudulent statement made in this agreement may constitute a violation of federal law punishable by a fine of not more than \$10,000 and any other criminal penalty imposed by law.
22. I understand that the lender will determine my eligibility to receive a loan and that IHCD A will not be involved in the credit underwriting process. However, IHCD A may investigate and verify any matter set out herein. I do hereby authorize such investigation or verification and hereby release IHCD A, its attorneys and agents from any claim that I may have now or in the future based upon, arising out of, or related to any investigation or verification which IHCD A, its attorneys or agents undertake.
23. I understand and agree that changed conditions in acquisition cost, income, and other program requirements may disqualify me at closing from receiving the MCC even though I was eligible at the time of application.

I/we certify that I/we have read and understand the above information in this Agreement and agree to be bound by its terms and conditions. I/we do hereby swear or affirm under the penalties of perjury that the foregoing is true, accurate and complete.

Date _____ Signature Borrower _____

Date _____ Signature 2nd Borrower _____

I certify, as an employee or agent of the Lender that I personally obtained the above information from the Borrower(s) and that such information is true, accurate and complete to the best of my knowledge. I further certify that the Borrower(s) signed the document in my presence.

Date _____ Lender Signature _____

Income eligibility for the Mortgage Credit Certificate Program is calculated according to federal guidelines. It is not used to determine credit-worthiness; it is only used to determine program eligibility. All income, as listed below, must be recorded and counted to determine borrower eligibility, even if that income would be excluded under normal credit underwriting procedures. Therefore, it is possible, for the income calculated for the Mortgage Credit Certificate Program qualifying purposes to be greater than the income counted for credit underwriting purposes.

You must list the Gross Annualized Income of all persons age 18 and over (not including full-time students) who intend to reside in the home.

Reservation Number _____	County _____
Borrower Name(s) _____	
Property Address _____	
<i>street</i>	<i>city</i>
	<i>zip</i>

		1st Borrower	2nd Borrower
1.	a. Base wages and salaries from employment	_____	_____
	b. Annualized Factor (e.g., x 52 weeks)	x _____	x _____
	c. Annualized Gross Base Pay (1a x 1b)	_____	_____
2.	Overtime, shift differential, etc.	_____	_____
3.	Bonuses	_____	_____
4.	Part-time employment	_____	_____
5.	Commission Income	_____	_____
6.	Income from the operation of a business including rental income from property owned by participant	_____	_____
7.	Income from Partnerships	_____	_____
8.	Child support/alimony/separate maintenance payments	_____	_____
9.	Social Security	_____	_____

regularly received from persons not living in the unit.

11. All public assistance
(excluding Medicaid and Food Stamps) _____
12. Interest and dividends. _____
13. Depreciation _____
14. Amount by which education grants, scholarships or
veterans administration benefits are intended as a subsistence
allowance to cover rent, utility costs, and board of a student
living away from home. (Do not include any portion of a student
loan in income). _____
15. Payments in lieu of earnings including employment
benefits, workers' compensation, severance pay, disability or
death benefits. Any payments that will begin during the next
twelve _____
16. All regular pay, special pay and allowances of a member
of the armed forces, not including hazardous duty pay (whether
or not living in the unit). _____
17. Imputed income from savings, stocks, bonds or other
Investment assets. _____
18. Total of lines 1c through 17. _____
- 19a. Total of amounts on line 18 for first and second Borrower(s). _____

List all persons, other than Borrower(s) intending to reside in the home:

Name	Age	Relationship	Annualized Gross Income
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

19. b. Total Number _____ 19. c. Total Income _____

20. Total Household Income, Line 19a & 19c.

I/We acknowledge and understand that this affidavit will be relied on for purposes of determining our eligibility for the Mortgage Credit Certificate Program. This affidavit and statements made in it are made under penalty of perjury, and are true, accurate and complete. A fraudulent statement made in this affidavit may constitute a federal violation punishable by a fine of \$10,000 and any other criminal penalty imposed by law.

Date:

Signature Borrower _____

Printed Name

Signature 2nd Borrower _____

Printed Name

I certify that I am an employee or agent of the Lender and that I obtained the information listed above from the Borrower(s) and that such information is true, complete, and accurate, to the best of the Lender's knowledge. I further certify that the Borrower(s) signed this document in my presence.

Date:

Signature: _____

Printed Name:

Title:

INDIANA HOUSING & COMMUNITY DEVELOPMENT AUTHORITY
MORTGAGE CREDIT CERTIFICATE PROGRAM
INFORMATIONAL CERTIFICATION

I, the undersigned, have applied for a Mortgage Credit Certificate ("MCC") from the Indiana Housing and Community Development Authority ("IHCDA").

I acknowledge and understand the following:

That I am not prohibited from seeking financing from any particular lender nor am I required to seek a MCC-linked mortgage loan from any particular lender as long as that lender has signed a Mortgage Credit Certificate Program Registration Form with IHCDA, which verifies that they are a Participating MCC Lender.

That the decision to finance and the amount to be financed is completely within the discretion of the Participating Lender to whom I apply. IHCDA plays no role in the decision to finance or the amount to be financed.

Federal Law establishes IHCDA's income, acquisition, ownership, and financing limitations.

The issuance of the MCC is dependant upon (1) the **Gross** Annualized Income being within the applicable income limits; (2) the acquisition cost for the type of single-family dwelling must not exceed the limits for the county where the dwelling is located; and (3) I have had **no** ownership interest in a principal residence as evidenced by Federal Tax Returns during the past three (3) Years. The prior ownership limitation is waived in designated Targeted Geographical Areas.

The acquisition cost includes – all amounts paid, either in cash or in kind, by the borrower(s) as consideration for the residence – purchase price, price to complete the residence, repairs, land (if not owned for two (2) years from the date construction began), settlement and financing costs in excess of amounts which are usual and reasonable ("buying down" the interest rate), property taxes to be paid by the borrower(s) in excess of that considered usual and reasonable.

Those lease agreements containing an option to purchase will be reviewed on a case by case basis to determine whether the agreement is a genuine lease or a disguised contract to purchase.

That a MCC will **NOT** be issued in connection with financing that is to be used for acquisition or to replace my existing mortgage or land contract. A mortgage includes deeds of trust, pledges, agreements to hold title in escrow, and any other form of owner financing.

That my income and the acquisition cost of the residence to be purchased by me may be different (more or less) than that calculated and acceptable for the lender's credit underwriting purposes. IHCDA **must** use your **Gross Income** where the lender may not have the same requirement.

That the MCC loan cannot finance the acquisition of settlement and financing cost which are in excess of that considered usual and reasonable.

That the amount paid to the seller(s) for consideration for the residence cannot be higher than it would be had the sale occurred without the benefit of the MCC.

That the current Indiana State Income Tax Laws do not permit the MCC Tax Credit to be applied against Indiana State Income Tax Liability.

That I will have to pay to IHCD A a **maximum** MCC reservation fee of one percent (1.00%) of the loan amount. However, this reservation fee can be paid by the builder, real estate agent, seller, lender, etc. I **cannot** under any circumstances pay any extension or reinstatement fees.

That the Participating Lender must have approval from IHCD A before the MCC-linked loan can be closed. If the MCC-linked loan closes prior to the approval of IHCD A, I **will not** be issued a MCC.

That I agree to execute IHCD A's Borrower(s) Application Agreement, Household Income Affidavit, Informational Certification, Acquisition Cost Affidavit, and Borrower(s) Closing Affidavit.

That I must submit the last three (3) years tax returns, signed and dated, with the top completely filled out (including social security number), just as it was sent to the IRS or submit an **original** IRS 1722 letter signed by the IRS along with a computer printout of my tax returns.

That I agree to furnish IHCD A or the Participating Lender appropriate information that may be requested from time to time. That if I fail to furnish IHCD A or the Participating Lender appropriate information in a timely manner, my MCC reservation can and will be revoked.

That I am able to utilize my MCC up until the day that my home is disposed of, paid in full, assumed, or the single-family dwelling ceases to be my primary residence.

That revocation will occur by IHCD A or the IRS upon discovery of any adverse material misstatement, whether negligent or fraudulent.

That the MCC is **not** transferable. Automatic revocation of a MCC will occur when the loan for which the MCC was issued is disposed of, paid in full, or assumed. Automatic revocation of a MCC will also occur when the single-family residence **ceases** to be my primary residence.

That once I receive my MCC that I **do not** have to notify IHCD A if the home is disposed of, paid in full, or assumed. **However**, I **must** notify them if my home ceases to be my primary residence.

That if I refinance my **existing** MCC loan, I may qualify to have my MCC reissued by IHCD A. This information will be given to me at the time of closing.

That each year I will seek copies of the current year's tax forms for my Federal Tax Return. Neither IHCD A nor my lender can provide my tax forms.

That I understand how to figure my MCC Tax Credit, how to claim my MCC tax credit with my employer, and how to claim my MCC tax credit on my Federal Tax Return.

That once IHCD A receives my closing package from my lender and the closing package is approved by IHCD A, IHCD A will send my MCC to me at the property address.

That once I receive my MCC it should be kept with my tax papers. **I WILL RECEIVE ONLY ONE MCC AND I AM TO MAKE A COPY OF MY MCC AND SEND THE COPY IN WITH MY FEDERAL TAX RETURNS. (DO NOT SEND YOUR ORIGINAL CERTIFICATE TO THE IRS).**

That as a borrower(s) of a MCC funded by a program of IHCD A, I hereby certify and acknowledge that I have been advised that the Federal Government imposes a recapture tax effective to all such loans closing after **December 31, 1990** on any gain I realize upon the disposition of the residence I seek to purchase with this mortgage loan.

THAT THE INFORMATION CONTAINED IN THIS DOCUMENT IS SUBJECT TO CHANGE WITHOUT NOTIFICATION.

THAT I HAVE BEEN ADVISED BY THE PARTICIPATING LENDER TO CONSULT A TAX ADVISOR OR ACCOUNTANT TO CALCULATE MY FEDERAL TAX CONSEQUENCES AS A RESULT OF PARTICIPATING IN THE MCC PROGRAM AND NOT TO RELY ON STATEMENTS BY THE IHCDA, THE PARTICIPATING LENDER, OR OTHERS REGARDING THE TAX CREDIT BENEFITS OR TAX LIABILITY BENEFITS.

I CERTIFY THAT I HAVE READ AND UNDERSTAND ALL THE ABOVE INFORMATION IN THIS CERTIFICATION. NOTWITHSTANDING THE ABOVE RESTRICTIONS, I WISH TO PROCEED WITH THE MCC APPLICATION PROCESS.

AS USED IN THIS FORM, WORD IMPUTING THE SINGULAR NUMBER SHALL MEAN AND INCLUDE THE PLURAL NUMBER.

DATE: SIGNATURE BORROWER _____

SIGNATURE CO-BORROWER _____

DATE: LENDER'S SIGNATURE _____

**INDIANA HOUSING & COMMUNITY DEVELOPMENT AUTHORITY
MORTGAGE CREDIT CERTIFICATE PROGRAM
INCOME TAX AFFIDAVIT
THERE ARE IMPORTANT LEGAL CONSEQUENCES TO THIS LEGAL AFFIDAVIT:
READ IT CAREFULLY BEFORE SIGNING**

RESERVATION # _____

Borrower: _____ Co-Borrower _____

I, the undersigned, being first duly sworn state the following:

_____ (a) I certify that I was not required by law to file a Federal Income
Tax Return for the following year(s) _____ for the reason(s) stated below:

Complete Section (b) only if the closing for the Single-Family Mortgage will occur between January 1 and April 15, and you have not filed your Federal Income Tax Return for the prior year.

_____ (b) I certify that the Mortgage closing is occurring between January 1 and April 15,
and that I have not yet filed my Federal Income Tax Return for the prior year.
I further certify that when I file my Federal Tax Return for the prior year,
I will neither be entitled to, nor claim, deductions for real estate taxes or interest on
indebtedness with respect to my principal residence for that year.

I acknowledge and understand that this Affidavit will be relied on for purposes of determining my eligibility for the Program. This Affidavit and statements made in it are made under penalty of perjury, and are true, accurate and complete. A fraudulent statement made in this Affidavit may constitute a federal violation punishable by a fine of \$10,000.00 and any other criminal penalty imposed by law.

Date: _____ Signature Borrower _____

I certify, as an employee or agent of the Lender that I personally obtained the above information from the Borrower(s) and that such information is true, accurate and complete to the best of my knowledge. I further certify that the Borrower(s) signed the document in my presence.

Date: _____ Lender Signature _____

Printed Name _____

Title _____

**DO NOT INCLUDE THIS FORM WITH PACKAGE UNLESS APPLICABLE
EXECUTE ONE FORM FOR EACH BORROWER IF APPLICABLE**

**INDIANA HOUSING AND COMMUNITY DEVELOPMENT AUTHORITY
MORTGAGE CREDIT CERTIFICATE PROGRAM
ACQUISITION COST AFFIDAVIT**

RESERVATION # _____ **COUNTY** _____

BORROWER(S) NAME _____

PROPERTY ADDRESS _____

CITY _____ **ZIP** _____

ACQUISITION COST CALCULATION

1. Amount paid, either in cash or kind, to the seller per the Purchase/Sales Agreement \$ _____
2. Any additional amount to complete the dwelling, if new construction + _____
3. Any additional amount to repair the dwelling to make it habitable or bring to code + _____
4. Settlement and financing costs in excess of usual and reasonable costs paid by the borrower + _____
5. The cost of land on which dwelling is to be constructed owned by the borrower and purchased within two years from the date construction begins + _____
6. The amount of property taxes to be paid by the borrower in excess of that considered usual and reasonable for similar non MRB transactions + _____
7. **Acquisition Cost, total of lines 1-6** \$ _____

I/WE acknowledge and understand that this affidavit will be relied on for purposes of determining my/our eligibility for the Mortgage Credit Certificate Program. This affidavit and the statements made in it are made under penalty of perjury. A fraudulent statement made in this affidavit may constitute a federal violation punishable by a fine of \$10,000.00 and any other criminal penalty imposed by law.

DATE: _____ Borrower Signature _____
Co-Borrower Signature _____

I certify that I am an employee or agent of the Lender and that I obtained the information listed above from the Borrower(s) and that such information is true, complete, and accurate, to the best of the Lender's knowledge. I further certify that the Borrower(s) signed this document in my presence.

Date: _____ Signature: _____
Printed Name: _____

**INDIANA HOUSING & COMMUNITY DEVELOPMENT AUTHORITY
MORTGAGE CREDIT CERTIFICATE PROGRAM
CLOSING PACKAGE TRANSMITTAL LETTER**

Resv # _____

Borrower Name(s) _____

Property Address _____

County of Residence _____ *street* _____ *city* _____ *zip* _____

Please Check off and submit forms in the order listed below:

- | | |
|--|--|
| _____ 1. Balance of any fees (if appl.) | _____ 7. HUD-1 Settlement Statement Copy |
| _____ 2. Transmittal Letter (MCC-7) Original | _____ 8. Reissuance Cert. (MCC-10) Original |
| _____ 3. Final Loan Application Copy | _____ 9. Appraisal Copy |
| _____ 4. Borrowers Closing Affd (MCC-8) Original | _____ 10. Mortgage Note Copy |
| _____ 5. Sellers Affidavit (MCC-9) Original | _____ 11. First Page of Mortgage Copy |
| _____ 6. Auth. for Sellers Signature(if appl.) Copy | |

PLEASE ADDRESS EVERY LINE & USE A MONTHLY FIGURE WHERE APPLICABLE

Closing Date _____	Property Tax \$ _____
Loan Amount (w/MIP) \$ _____	Association Dues \$ _____
Loan Type (FHA/VA/Conv) _____	Sex Head Household _____
Term _____	Age Head Household _____
Interest Rate _____	Marital Status _____
Condo/PUD _____	# Dependents (incl spouse) _____
Census Tract # _____	Household Size _____
Acres/Site Area (sq. ft.) _____	Number Employed _____
Design Style (ranch, etc.) _____	Prior Owner (last 3 years) ____ Yes or ____ No
#Rooms ____ #Bdrm ____ #Bthrm ____	Flood Insurance \$ _____
Purchase Price \$ _____	Hazard Insurance \$ _____
Appraised Value \$ _____	PMI/MIP Insurance \$ _____
Year Built _____	Head Household Empl _____ (salary, hourly, commissioned, etc.)
Comments _____	

Lender _____

Date _____

20 _____

**INDIANA HOUSING & COMMUNITY DEVELOPMENT AUTHORITY
MORTGAGE CREDIT CERTIFICATE PROGRAM
BORROWER(S) CLOSING AFFIDAVIT**

***There are Important Legal Consequences to This Affidavit. Read it Carefully
Before Signing.***

Reservation Number # _____

I, the undersigned, as part of my application for the Mortgage Credit Certificate Program from the Indiana Housing And Community Development Authority (IHCDA), and as a material inducement to IHCDA to issue a MCC to the undersigned, in connection with a mortgage loan from the lender of the undersigned's choosing for the undersigned's purchase of a single-family residence, being duly sworn, state the following:

1. Check and complete section (a) or (b), whichever applies.

- ☐ a. I have reviewed the Borrower(s) Application Agreement that I executed as part of my application for the Mortgage Credit Certificate Program and declare that there have been no changes in the statements therein and the statements remain true, accurate and complete.
- ☐ b. I have reviewed the Borrower(s) Application Agreement that I executed as part of my application for the Mortgage Credit Certificate Program and declare that the following changes have occurred:

2. Check and complete (a) or (b), whichever applies:

- ☐ a. I, individually or together with another person, have not had an ownership interest in a principal residence within three (3) years from the date my loan closes on the above referenced property.
- ☐ b. The preceding section is not required because the residence is located in a targeted area.

3. I acknowledge that the seller(s) has certified to me that the price of the residence is no higher than it would be without the use of the Mortgage Credit Certificate Program.
4. I further certify that my Gross Annual Income on the date of execution of this statement does not exceed the Income Limit of \$ _____ for _____ County.
5. I acknowledge that the lender has informed me that I may be subject to a Federal Recapture Tax if I sell my home during the next nine (9) years. I have been advised that the maximum amount of recapture I might be subject to is 6.25% times the first mortgage amount at the time of closing. The 6.25% is the maximum recapture rate applicable during the fifth (5th) year from loan closing.
- (a) IHCDA will reimburse borrowers who pay recapture tax or for the reduction in their tax refund due to recapture tax (the "Recapture Amount") Please see MCC 13 for important details and instructions

I/we do hereby swear or affirm under the penalties for perjury that the foregoing is true, accurate and complete.

Date: _____

Signature Borrower: _____

Printed Name: _____

Signature Borrower: _____

Printed Name: _____

I certify that I am an employee or agent of the Lender and that I obtained the information listed above from the Borrower(s) and that such information is true, accurate and complete to the best of the Lender's knowledge. I further certify that the Borrower(s) signed this document in my presence.

Date: _____

Signature: _____

Printed Name: _____

Title: _____

**MORTGAGE CREDIT CERTIFICATE PROGRAM
SELLER(S) AFFIDAVIT**

There are Important Legal Consequences to this Affidavit. Read Carefully Before Signing.

The undersigned Seller(s), jointly and severally, do hereby affirm and aver that the purchase price of the residence being sold to:

Borrower Name(s) _____

pursuant to the Purchase and Sales Agreement is \$ _____

There is no agreement, written or oral, between the borrower(s) and the undersigned seller(s) to pay or exchange any compensation of any type which has not been disclosed in the Purchase (Sales) Agreement and included in the purchase price.

I/We acknowledge and understand that this affidavit will be relied on for purposes of determining the purchaser's eligibility for a Mortgage Credit Certificate. This affidavit and statements made in it are made under penalty of perjury. A fraudulent statement made in this affidavit may constitute a federal violation punishable by a fine of \$10,000, revocation of the MCC, and any other criminal penalty imposed by law.

I/we do hereby swear or affirm under the penalties for perjury that the foregoing is true, accurate and complete.

Date: _____

Signature Seller: _____

Printed Name: _____

Signature Seller: _____

Printed Name: _____

I certify that I am an employee or agent of the lender and that the information listed above is true, accurate, and complete to the best of my knowledge. I further certify that the seller(s) signed this affidavit in my presence. If an agent of the seller(s) signs the Seller(s) Affidavit, evidence of the agent's authorization to act on behalf of the seller(s) must be included in the closing package.

Date: _____

Signature: _____

Printed name: _____

Title: _____

**INDIANA HOUSING & COMMUNITY DEVELOPMENT AUTHORITY
MORTGAGE CREDIT CERTIFICATE PROGRAM
RECEIPT OF MCC RE-ISSUANCE AFFIDAVIT**

Reservation # _____ County of _____

Borrower Name _____

Co-borrower Name _____

Property Address _____

City _____ Zip _____

I, the undersigned, being duly sworn state the following:

I acknowledge and understand this affidavit will be relied on for verification that I have received the Indiana Housing And Community Development Authority's Re-issuance Affidavit from my lender.

I acknowledge and understand that I might be eligible to be reissued another MCC if I refinance my existing MCC loan and that the rules and guidelines are in the MCC Re-issuance Affidavit.

I acknowledge and understand that **my current lender or any lender will not be involved in the re-issuance of another MCC** should I decide to refinance my home, as **it is my responsibility** to send the MCC Re-issuance Affidavit and all other required documents to the Indiana Housing And Community Development Authority by the deadline specified in the MCC Re-issuance Affidavit.

I acknowledge and understand that this affidavit and the statements made in it are made under penalty of perjury. A fraudulent statement made in this affidavit may constitute a federal violation punishable by a fine of \$10,000, the revocation of the MCC, and any other criminal penalty imposed by law.

AS USED IN THE FORM, WORDS IMPUTING THE SINGULAR NUMBER SHALL MEAN AND INCLUDE THE PLURAL.

I/We do hereby swear or affirm under the penalties for perjury that the foregoing is true, accurate, and complete.

Date: _____ **Signature Borrower** _____

Signature Co-borrower _____

I certify that I am an employee or agent of the lender and that I obtained the information listed above from the borrower(s) and that such information is true, accurate, and complete to the best of the lender's knowledge. I further certify that the borrower(s) signed this document in my presence.

Date: _____ **Signature** _____

**INDIANA HOUSING & COMMUNITY DEVELOPMENT AUTHORITY
MORTGAGE CREDIT CERTIFICATE PROGRAM
RECEIPT OF MCC RE-ISSUANCE AFFIDAVIT**

Reservation # _____ County of _____

Borrower Name _____

Co-borrower Name _____

Property Address _____

City _____ Zip _____

I, the undersigned, being duly sworn state the following:

I acknowledge and understand this affidavit will be relied on for verification that I have received the Indiana Housing And Community Development Authority's Re-issuance Affidavit from my lender.

I acknowledge and understand that I might be eligible to be reissued another MCC if I refinance my existing MCC loan and that the rules and guidelines are in the MCC Re-issuance Affidavit.

I acknowledge and understand that **my current lender or any lender will not be involved in the re-issuance of another MCC** should I decide to refinance my home, as **it is my responsibility** to send the MCC Re-issuance Affidavit and all other required documents to the Indiana Housing And Community Development Authority by the deadline specified in the MCC Re-issuance Affidavit.

I acknowledge and understand that this affidavit and the statements made in it are made under penalty of perjury. A fraudulent statement made in this affidavit may constitute a federal violation punishable by a fine of \$10,000, the revocation of the MCC, and any other criminal penalty imposed by law.

AS USED IN THE FORM, WORDS IMPUTING THE SINGULAR NUMBER SHALL MEAN AND INCLUDE THE PLURAL.

I/We do hereby swear or affirm under the penalties for perjury that the foregoing is true, accurate, and complete.

Date: _____ **Signature Borrower** _____

Signature Co-borrower _____

I certify that I am an employee or agent of the lender and that I obtained the information listed above from the borrower(s) and that such information is true, accurate, and complete to the best of the lender's knowledge. I further certify that the borrower(s) signed this document in my presence.

Date: _____ **Signature** _____

**INDIANA HOUSING & COMMUNITY DEVELOPMENT AUTHORITY
MORTGAGE CREDIT CERTIFICATE PROGRAM
RECEIPT OF MCC RE-ISSUANCE AFFIDAVIT**

Reservation # _____ County of _____

Borrower Name _____

Co-borrower Name _____

Property Address _____

City _____ Zip _____

I, the undersigned, being duly sworn state the following:

I acknowledge and understand this affidavit will be relied on for verification that I have received the Indiana Housing And Community Development Authority's Re-issuance Affidavit from my lender.

I acknowledge and understand that I might be eligible to be reissued another MCC if I refinance my existing MCC loan and that the rules and guidelines are in the MCC Re-issuance Affidavit.

I acknowledge and understand that **my current lender or any lender will not be involved in the re-issuance of another MCC** should I decide to refinance my home, as **it is my responsibility** to send the MCC Re-issuance Affidavit and all other required documents to the Indiana Housing And Community Development Authority by the deadline specified in the MCC Re-issuance Affidavit.

I acknowledge and understand that this affidavit and the statements made in it are made under penalty of perjury. A fraudulent statement made in this affidavit may constitute a federal violation punishable by a fine of \$10,000, the revocation of the MCC, and any other criminal penalty imposed by law.

AS USED IN THE FORM, WORDS IMPUTING THE SINGULAR NUMBER SHALL MEAN AND INCLUDE THE PLURAL.

I/We do hereby swear or affirm under the penalties for perjury that the foregoing is true, accurate, and complete.

Date: _____ **Signature Borrower** _____

Signature Co-borrower _____

I certify that I am an employee or agent of the lender and that I obtained the information listed above from the borrower(s) and that such information is true, accurate, and complete to the best of the lender's knowledge. I further certify that the borrower(s) signed this document in my presence.

Date: _____ **Signature** _____

INDIANA HOUSING & COMMUNITY DEVELOPMENT AUTHORITY
RECAPTURE REIMBURSEMENT AFFIDAVIT

IHCDA has eliminated the worry of recapture for those borrowers who may owe this tax at the time of sale of their home. Indiana Housing will reimburse borrowers who pay recapture tax or for the reduction in their tax refund due to recapture tax (the "Recapture Amount").

The following three criteria must be met before recapture tax is due:

1. The home is sold within the first nine years of the closing of the mortgage loan.
2. There is a net profit on the sale of the home.
3. The household income is above the income limit for the number of months since closing for the number of persons in the household.

Borrowers who must pay Recapture Tax may be reimbursed based on the following criteria:

1. Your IHCDA loan was reserved December 15, 2005 or after.
2. Your IHCDA Mortgage Loan is outstanding at the time of sale. If your IHCDA mortgage has been refinanced, no reimbursement will be made.
3. IHCDA will only reimburse the Recapture Amount and will not reimburse your for fees, interest, expenses or penalties incurred.
4. IHCDA will not calculate the Recapture Amount, if any, upon the sale or disposition of the residence. If you need assistance, consult your personal tax advisor or the IRS.
5. A written request to IHCDA must be received by July 15th of the calendar year after the residence is sold and include the following items:
 - IRS form 4506 (or its equivalent) completed and signed by each borrower to enable IHCDA to obtain a copy of each borrower's federal tax return.
 - Copy of the signed HUD-1 Settlement Statement from the sale or disposition of the property.
 - Any other documentation IHCDA may need to approve the reimbursement.

*For a complete description of Recapture Tax and the income guidelines, please reference the Maximum Recapture Tax Notice that you will receive 60 days after your IHCDA loan has closed.

Date _____ Borrower _____

Co-Borrower _____

Date _____

Lender _____

Borrowers Acknowledgement statement

An MCC operates as a Federal Income Tax Credit. The MCC reduces an eligible borrowers(s) Federal Income Taxes and, in effect, creates additional income for the borrower(s) to use in making a monthly mortgage payment.

The amount of the Federal Tax Credit which can be claimed each year cannot exceed the borrower(s) annual Federal Income Tax Liability, after all other credits and deductions. The itemized deduction for mortgage interest will be reduced by the amount of Tax Credit. Unused Tax Credits under the program can generally be carried forward 3 years for Federal Tax purposes. Benefits of the MCC are available for the life of the original mortgage as long as the borrower(s) occupies the property as his/her principal residence.

I/We understand, after reviewing my/our previous three years federal tax returns, that I/We may not be eligible for the full MCC benefit at this time.

Date: _____

Signature Borrower _____

Signature of 2nd Borrower _____

Single Family Staff

- Would you like to call or email the Single Family Staff?
- Kim Harris – Manager
- 317-233-5367
- kiharris@ihcda.in.gov
- Lee McClendon - Asst. Manager
- 317-232-2582
- lmccclendon@ihcda.in.gov

Underwriters

- Who will I talk with if I have a program question or question on a file

- Kim Williams

kiwilliams@ihcda.in.gov

Karen Gatewood 317-234-5178

kgatewood@ihcda.in.gov

Marianne Fraps 317-232-7023

mfraps@ihcda.in.gov

Sara Hawk 317-233-4875

shawk@ihcda.in.gov

Staff Support/Technical Asst

● Marquet Smith 317-232-3566

msmith@ihcda.in.gov

(Technical Assistance)

Liann Doyle 317-233-1826

ldoyle@ihcda.in.gov

(IFPN Specialist)

Melanie McNair 317-233-3895

mmcnair@ihcda.in.gov

(Staff Support)